

United States Patent [19]
Atkins

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[54] **PERSONAL FINANCIAL MANAGEMENT SYSTEM FOR CREATION OF A CLIENT PORTFOLIO OF INVESTMENT AND CREDIT FACILITIES WHERE FUNDS ARE DISTRIBUTED BASED ON A PREFERRED ALLOCATION**

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Related U.S. Application Data

[63] Continuation of Ser. No. 686,319, Apr. 16, 1991, which is a continuation of Ser. No. 408,173, Sep. 15, 1989, abandoned, which is a continuation of Ser. No. 038,817, Apr. 15, 1987, Pat. No. 4,953,085.

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[52] U.S. Cl. 705/36; 705/38; 705/39

[58] Field of Search 364/408; 705/35, 705/36, 37, 38, 39

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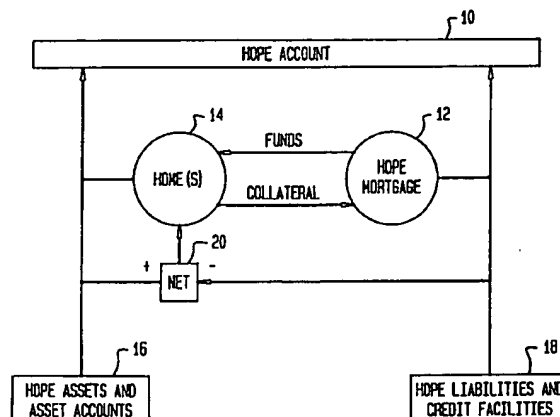
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[57] ABSTRACT

A personal financial management program is for implementing, coordinating, supervising, analyzing and reporting upon investments in an array of asset accounts and credit facilities within a client account. Through a mathematical programming function the client specifies his financial objectives, his risk preference, forecast of economic and financial variables, and budgetary constraints. The mathematical programming function suggests to the client a portfolio of investment and credit facilities to best realize his financial objectives over a defined time horizon. In the preferred embodiment the central structural element of the financial account is a mortgage secured by the client's home and one or more asset accounts. Client funds that would normally be used to amortize the mortgage may be alternatively used to increase the value of a designated asset account. The client account is imbalances if the client's borrowing power is less than the minimum borrowing power specified by the financial institution. If the account is imbalanced, the client may reallocate the distribution of assets and liabilities within the client account and/or modify a set of constraints on the client account. If the client account is still not balanced after modification of the account, the system initiates a liquidation procedure.

21 Claims, 16 Drawing Sheets



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